

Minutes of the 61st Annual General Meeting of Clariant Chemicals (India) Limited held on Thursday, August 09, 2018 at 04:00 p.m. and concluded at 04:45 p.m. at Registered Office of the Company at Reliable Tech Park, Thane-Belapur Road, Airoli, Navi Mumbai – 400 708

Present:

Mr. Kewal Handa	-	Chairman
Mr. Adnan Ahmad	-	Vice-Chairman & Managing Director
Mr. Sunirmal Talukdar	-	Director (Chairman of Audit & Nomination and Remuneration Committee)
Mr. Mario Brocchi	-	Director
Mr. Karl Holger Dierssen	-	Director
Mr. Sanjay Ghadge	-	Chief Financial Officer
Ms. Ameer Joshi	-	Company Secretary
Mr. Arvind Daga	-	Partner, Price Waterhouse Chartered Accountants LLP, Statutory Auditor
Mr. Bhadresh Shah	-	Proprietor of Bhadresh Shah & Associates, Practicing Company Secretary (Scrutinizer for E-Voting & Poll)

Shareholders Attendance:

Promoters	-	Represented by Mr. Karl Holger Dierssen & Mr. Mario Brocchi
Public	-	47 members present in person and 1 through proxy

Statutory Records:

The following Registers/books/documents were laid on the table:

- ◆ Minute Book of Annual General Meeting
- ◆ Register of Proxy with Proxies
- ◆ Register of Directors' Shareholding
- ◆ Signed copy of the
 - Balance Sheet as at March 31, 2018
 - Statement of Profit and Loss & Cash Flow Statement for the year ended March 31, 2018
 - Directors' Report
 - Auditors' Report
 - Secretarial Audit Report
- ◆ Report on Corporate Governance
- ◆ Memorandum & Articles of Association of the Company

All the statutory registers, documents, Auditors' Report, Secretarial Audit Report etc. as prescribed under the Companies Act, 2013 were kept available to Shareholders for inspection.

Chairman:

Mr. Kewal Handa, Chairman of the Board took the chair and welcomed the members to the 61st Annual General Meeting of the Company. After noting that requisite quorum for the meeting was present, he called the meeting to order.

He emphasized that during the year under review the Company faced unprecedented headwinds in the form of volatility in crude oil pricing and a fluctuating rupee stifling the chemical businesses. However, team's extra efforts and commitment towards cost management and revenue generation aided in sustaining the overall performance. The revenues were up by 4% and the Company continue to remain a zero-debt Company. Team's strategic pursuit of the past would deliver enhanced value to our shareholders. Over the last few years Clariant has been scouting for growth opportunities in order to deliver increased earnings for its esteemed shareholders. It has now successfully entered new product application categories across several emerging industry segments such as Infrastructure, Transportation, Healthcare, Fiber, Home & Personal Care among others.

Notice and Auditors' Report:

With the consent of the members present, the Notice dated May 15, 2018 convening the meeting and the Report of the Directors for the year ended March 31, 2018 was taken as read.

The Audit Report was read by Ms. Ameer Joshi, Company Secretary.

The Chairman then requested Mr. Adnan Ahmad, Vice Chairman & Managing Director to address the shareholders and give a brief overview of business to the shareholders.

Address by Mr. Adnan Ahmad:

Mr. Adnan Ahmad thanked the Chairman and welcomed the shareholders at 61st Annual General Meeting of Clariant Chemicals (India) Limited. He thanked the shareholders for their constant support to steer the Company further in its new strategic direction.

Last year's performance:

He emphasized that effective cost management and resource optimization, integration of manufacturing assets to deliver value to the business (eg Nandesari), restructuring the portfolio shifting from commodity to specialty chemicals, were some of the key strategic areas the Company focused on to ensure that it continue to deliver value across its businesses. Company's focus last year, was to build a healthier business and cultivate the agility to bring sustainable products and innovative solutions to the market.

He reiterated Chairman's statement that Business faced many exceptional challenges in the journey as crude oil prices were up sharply even as raw material

prices shot up in the market, a volatile rupee which kept exporters on tenterhooks for most of the year, added to the uncertainty around the GST rollout. However, the Company was able to evolve quickly in response to changing market dynamics; in fact, Clariant was one amongst the few Companies that was able to weather the unprecedented external headwinds that came its way over the last year.

1) Performance

Despite a tough local macroeconomic situation, Company demonstrated an overall business growth of 4%, while Company's core business grew by 6.1%, despite the headwinds the business faced last year

- During the financial year, the pigment business recorded sales of Rs. 587.70 crore, marking a growth of 6.8%, as compared to that of the previous year
- The Masterbatches business recorded sales of Rs. 358.40 crore, posting a 4.7% increase over the preceding year, on a like to like comparable period basis
- The Additives business contributed Rs 20.80 crore to sales which translates into a growth of 10.1% over that of the previous year.
- Exports grew at a faster pace of 9.3% during 2017-18 as compared to a growth of 3.4% in the previous year.

The Company sustained its performance through cost optimization and efficient working capital management. Company's year-end ratio of net working capital to sales of 17% is one of the best in the industry.

The total dividend for the period under review amounts to Rs. 5 per share, which is a payout of 53% of the profit for the year ended 31st March 2018.

2) People

Mr. Adnan acknowledged the hard work and commitment of the team that made it possible to find innovative solutions for clients and meet the expectations of diverse stakeholders.

Enthusiastic, engaged and committed employees are pivotal drivers of growth for any organization. Company's leadership team understands this, and Clariant in India continues to be a people-driven organization. He took the opportunity to thank all the 800 employees for their hard work and commitment shown towards driving sustainable performance and growth of the Company. The HR initiatives continue to lay great emphasis on nurturing, motivating and empowering talent to optimize individual performance.

Clariant in India is constantly investing in new learning and capability development programs for our employees, equipping them with new skills and continual career growth opportunities. Moreover, Company's superior reward and recognition policies have been instrumental in retaining and motivating employees across the organization levels.

3) Planet

Clariant considers sustainability as its economic, environmental and social responsibility. It is in fact a key pillar of the company's strategy globally and an integral part of the way Company work. Many of the newly developed products coming from Company's innovation pipeline are a result of its focus on sustainability. It enables the Company to stand out among the competitive portfolio in the marketplace.

Company's focus on innovative solutions and constantly introduce product offerings that are environmentally sensitive, for instance:

- Safe colors for soap bars – thanks to the Flexonyl range of pigment dispersions - that are deemed safe and compliant as per the new BIS norms
- Polybond preparations or coloration of EVA footwear that improves the energy efficiency and helps waste reduction
- Mevopur range of functional additives that enhance and protect medical devices and pharmaceutical packaging.

Company's consistent efforts on the sustainability front have been recognized by the prestigious Dow Jones Sustainability Index (DJSI) for the fifth consecutive time.

During the financial year, Company have fortified its commitment towards fostering sustainable local development by making a long term, positive impact on the society. Clariant have shortlisted projects based on the needs of the society and the intent of maximizing impact on-ground. It has identified specific areas and have a focused approach towards enabling change in these:

- Health Care and Community support
- Education
- Environment protection

Commitment to responsible care

Company's sustainability and safety efforts have been widely appreciated. Last year, Company awarded the second prize in the 'Sustainable Employer of the Year'

category for the consecutive year at the 4th Annual HSE Congress. It is an acknowledgement of our extraordinary efforts taken towards reducing the environmental footprint, energy saving, improving safety, developing sustainable products and overall CSR activities.

Outlook, Opportunities and Challenges

He emphasized on the volatility, uncertainty, complexity and ambiguity 'VUCA' is the new norm as given the current business environment we operate in.

He then touched upon the Outlook, Opportunities and Challenges:

- Specialty Chemicals – growing at almost twice the global average
- Plastic and Coatings - leading global provider of organic pigments, pigment preparations and dyes
- Commoditization – a challenge and require more focus
- Growing local demand for organic pigments

Conclusion

He reiterated that the Company will continue to exploit new opportunities by scaling up, and moving talent and investments into emerging growth areas, to deliver a sustained, profitable growth in the future.

Company remains a zero-debt company with no long-term borrowings and have a credit rating of 'CARE AA+' for long term bank facilities and 'CARE A1+' for short term non-fund based bank facilities. Also the Company has been able to sustain our performance on the back of efficient management of its working capital.

Company business approach has been rewired with a strong emphasis on cost optimization and value enhancement. With the strategic framework now in place, we will continue to restructure our portfolio to derive value by way of new product innovations that cater to Indian market requirements

In conclusion, he thanked our esteemed shareholders, valued customers, partners, and employees for all their support.

Questions:

After completion of Mr. Adnan Ahmad's address, the Chairman invited questions and comments from the members relevant to the Accounts of the Company for the year ended March 31, 2018.

Mr. Girish Gulati raised following queries:

- What is the vision of Company Sabic
- Update on Sabic

- Why share price is low
- What is the focus of Group on the Company
- CAGR growth in next 4/5 years

Mr. Aspi Bhesania raised following queries:

- Why Dr. (Mrs.) Indu Shahani is not present
- Prices of shares gone down in last 10 years
- Material cost is fluctuating
- Why book closure period is seven days
- Will Company grow at 4% or higher rate
- What expectations do Parent Company have from Clariant Chemicals (India) Limited
- Turmoil in China affect us
- Why segments results are low

Mr. Kewal Handa and Mr. Adnan Ahmad responded to the comments and replied to the questions raised by Shareholders.

Voting by Poll:

Since there were no further comments/questions, the Chairman ordered Poll on following Ordinary & Special businesses specified in the Notice of the meeting dated May 15, 2018 and requested all the shareholders to cast their vote on each and every item of the Notice before leaving the meeting. The closing time of Poll was 05:00 p.m.

Sr. No.	Item
	Ordinary Business
1.	To receive, consider and adopt the Audited Financial Statements of the Company for the year ended March 31, 2018, together with the Reports of the Directors and Auditors thereon.
2.	To declare Final Dividend on Equity Shares for the year ended March 31, 2018.
3.	To appoint a Director in a place of Mr. Mario Brocchi (DIN 07091950) who retires by rotation and being eligible, offers himself for re-appointment.
	Special Business
4.	To ratify the remuneration of M/s RA & Co., Cost Accountants for conducting Cost Audit of the Company for the Financial year 2018-19.

The Chairman then requested Ms. Ameer Joshi, Company Secretary to explain the Poll procedure to the shareholders.

Ms. Ameer Joshi explained the shareholders that in line with the provisions of Companies Act, 2013 and SEBI (Listing Obligations & Disclosure Requirements) Regulations, 2015, voting by show of hands is no longer permitted at the general meeting where e-voting has been offered to the shareholders. Therefore, at 61st AGM of the Company, voting right is provided by means of E-Voting and Poll.

As per the provisions of Section 108 of the Companies Act, 2013 and the rules made thereunder read with provisions of Regulation 44 of SEBI (Listing Obligations & Disclosure Requirements) Regulations, 2015, the Company had provided E-Voting facility to its members to exercise their right to vote through Electronic means on all the businesses specified in the Notice. The E-voting period commenced from August 06, 2018 (9:00 a.m.) to August 08, 2018 (5:00 p.m.). The E-voting facility was disabled thereafter.

For the members who are attending the 61st AGM of the Company and are entitled to vote but have not exercised their right to vote by electronic means, voting by way of Poll is ordered by the Chairman.

She informed that the Company has appointed Mr. Bhadresh Shah, Proprietor of Bhadresh Shah & Associates, Practicing Company Secretary as Scrutinizer to scrutinize the E-voting process and voting by way of Poll.

After the shareholders had cast their votes by way of Poll, the Ballot boxes were sealed by the Scrutinizer.

The results of E-Voting and Poll were announced by the Company on August 10, 2018, to the Stock Exchanges and was also uploaded on the website of the company www.clariant.com.

Results of E-Voting and Poll:

The results of E-Voting (conducted on August 06, 2018 to August 08, 2018) and the Poll conducted at the 61st Annual General Meeting held on August 09, 2018, was announced on August 10, 2018 and uploaded on the website of the company. The following resolutions, as mentioned in the Notice of 61st Annual General Meeting, were passed by the shareholders with requisite majority.

Ordinary Business:

1) Ordinary Resolution for adoption of Audited Results and Reports thereon

“RESOLVED THAT the Audited Financial Statements comprising of Statement of Profit & Loss Account for the year ended March 31, 2018 and Balance Sheet and Cash Flow Statement as at March 31, 2018 along with Schedules and Notes forming part of the Audited Financial Statements, placed before the meeting, be and are hereby adopted.”

2) Ordinary Resolution for declaration of Final Dividend

“RESOLVED THAT pursuant to the provisions of Section 123 of the Companies Act, 2013 read with applicable Rules thereon, Final Dividend of Rs. 5/- (Rupees Five) per equity share at the rate of 50% of the face value of Rs. 10/- each, be and is hereby declared for the year ended March 31, 2018, on 23,081,798 Equity Shares of the Company.”

- 3) Ordinary Resolution for appointment of Mr. Mario Brocchi (as Director), liable to retire by rotation

“RESOLVED THAT pursuant to the provisions of Section 152 of the Companies Act, 2013 read with applicable rules made thereunder, Mr. Mario Brocchi (DIN 07091950), who retires by rotation and being eligible, be and is hereby re-appointed as a Director of the Company liable to retire by rotation.”

Special Business:

- 4) Ordinary Resolution for ratification of remuneration to M/s RA & Co., Cost Accountants for Cost Audit for the Financial year 2018-19

"RESOLVED THAT pursuant to the provisions of Section 148 of Companies Act, 2013 read with Companies (Audit and Auditors) Rules, 2014 (including any statutory modification(s) or re-enactment thereof for the time being in force), M/s. RA & Co., Cost Accountants, appointed as Cost Auditors for the Financial year 2018-19 to conduct audit of Cost Accounts of the Company be hereby paid the Fees of Rs. 2 Lakhs plus service tax and reimbursement of out of pocket expenses at actuals.

RESOLVED FURTHER THAT the Board of Directors and the Key Managerial Personnel be and are hereby authorized severally to do all such acts, deeds or things, as may be necessary and expedient, to give effect to the aforesaid resolution."

Date of Entry: August 24, 2018
Date of Signing: August 28, 2018
Place of Signing: Mumbai


Mr. Kewal Handa
CHAIRMAN